

# Asia-Pacific Security Studies



## Malaysia's 2004 Elections:

### *Mahathir's Successor Succeeds*

Asia-Pacific Center for Security Studies Volume 3 - Number 5, April 2004

#### Conclusions

Malaysia's March 2004 election was a landslide endorsement of the leadership of Datuk Seri Abdullah Ahmad Badawi who, the previous October, had succeeded Datuk Seri Dr Mahathir Mohamad as Prime Minister of Malaysia. These elections, for both parliamentary and state-level seats, resulted in the ruling coalition winning 90 percent of the national seats and securing majorities in all but one state—making it one of the largest election victories in Malaysian history.

Dr. Anthony L. Smith is a Senior Research Fellow at the Asia-Pacific Center for Security Studies who specializes in Southeast Asia. Recent APCSS publications include "Banking on a Constructive China: Australia's China Debate" in *Special Assessment: Asia's China Debate* (December 2003) and "Indonesia's Aceh Problem: Measuring International and Domestic Costs" (July 2003).

The magnitude of this election victory enhances Prime Minister Abdullah's power base within the ruling party, the United Malays National Organisation (UMNO). Abdullah has already tried to differentiate his leadership by tackling corruption and by avoiding Mahathir's undiplomatic outbursts. But for the most part, Abdullah's administration will provide continuity in key policy areas. Domestically he will preserve an emphasis on economic growth and *Bumiputera* (indigenous) favoritism, while in foreign policy Malaysia will maintain substantial relations with the United States, as well as with ASEAN countries and countries from the wider region.

One important aspect of the March 2004 elections is that UMNO did not repeat its poor performance of the 1999 elections, which saw gains made by the conservative Islamist opposition party, *Parti Islam SeMalaysia* (PAS). PAS's radical domestic theocratic agenda is matched by its hostile views toward the United States. In the recent elections, the Malaysian government was able to use September 11 as a means of tarnishing the Islamist opposition. The resulting losses for PAS in these elections confirm a trend within Malaysia since the last election—that Malay voters have rejected PAS's extreme message. PAS will remain a factor in Malaysian politics, however, even if it has lost considerable ground.

While the international media have focused on the weakening of PAS, other non-Islamist opposition parties have also been decimated. This suggests that while there are prospects for opposition candidates to win seats, the odds are stacked against them, making it highly unlikely that the ruling coalition, the *Barisan Nasional* (BN; National Front)—of which UMNO is the most important component—will ever lose. But there is still room for the opposition to win seats in parliament. It is not victory that is at stake for the ruling coalition in Malaysian elections, but the margin of victory.

Malaysia's 2004 election does nothing to advance the cause of pluralism in Malaysia or to improve human rights, but it does mean the Malaysian government has successfully promoted its "moderate" version of Islam over PAS's more hard-line approach. This should be a source of comfort for Washington. Relations between Washington and Kuala Lumpur will remain stable under a new Malaysian prime minister—and may even improve with a more prudent and diplomatic leader at the helm.

<b>Report Documentation Page</b>			<i>Form Approved OMB No. 0704-0188</i>	
<p>Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p>				
1. REPORT DATE <b>APR 2004</b>	2. REPORT TYPE	3. DATES COVERED <b>00-00-2004 to 00-00-2004</b>		
4. TITLE AND SUBTITLE <b>Malaysia's 2004 Elections: Mahathir's Successor Succeeds</b>		5a. CONTRACT NUMBER		
		5b. GRANT NUMBER		
		5c. PROGRAM ELEMENT NUMBER		
6. AUTHOR(S)		5d. PROJECT NUMBER		
		5e. TASK NUMBER		
		5f. WORK UNIT NUMBER		
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) <b>Asia-Pacific Center for Security Studies,2058 Maluhia Road,Honolulu,HI,96815</b>		8. PERFORMING ORGANIZATION REPORT NUMBER		
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)		10. SPONSOR/MONITOR'S ACRONYM(S)		
		11. SPONSOR/MONITOR'S REPORT NUMBER(S)		
12. DISTRIBUTION/AVAILABILITY STATEMENT <b>Approved for public release; distribution unlimited</b>				
13. SUPPLEMENTARY NOTES				
14. ABSTRACT				
15. SUBJECT TERMS				
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT <b>Same as Report (SAR)</b>	18. NUMBER OF PAGES <b>4</b>
a. REPORT <b>unclassified</b>	b. ABSTRACT <b>unclassified</b>	c. THIS PAGE <b>unclassified</b>	19a. NAME OF RESPONSIBLE PERSON	

One of the oft-cited images from Malaysia's 2004 election—from a compliant Malaysian media—is that of PAS President Datuk Seri Abdul Hadi Awang being reduced to tears following PAS's loss of its majority in the Terengganu state parliament and his own personal defeat in the Marang parliamentary constituency. This poignant moment in the recent parliamentary and state elections is a culmination of trends since the 1999 election. Incumbent Prime Minister Abdullah secured a massive victory with 90 percent of the national parliamentary seats and a majority of state representatives in all but one state. The ruling coalition's victory has always been certain in Malaysian elections; in the most recent polls it was expected that UMNO would do much better than in 1999, when it lost a lot of ground to PAS. Yet Abdullah managed to achieve one of the largest victories in Malaysia's history, leaving the opposition in disarray. While the international press generally celebrated the demise of the Islamist PAS, the decimation of the other opposition parties will not be a healthy development in Malaysia. PAS will regroup itself for coming elections, and the danger is that in the absence of more credible opposition, future dissatisfaction with the ruling coalition may translate into a revival of its fortunes.

### **Past Malaysian Elections**

Although voting in Malaysia is free, the system is hardly unfettered. Successive Malaysian prime ministers, all drawn from UMNO, have argued that Malaysia is a democracy adapted to local conditions but have also articulated a contradictory desire to keep power with the ruling coalition for long-term growth, prosperity and stability. UMNO governs the fourteen-party coalition called Barisan Nasional.

While there is an element of political space within the Malaysian polity that allows representation for some opposition parties, it is unlikely that opposition parties can ever win for structural reasons. Malaysia inherited a Westminster first-past-the-post method of voting from its erstwhile British colonial authorities, which is known to unduly favor larger political parties out of proportion to their overall vote. But the Malaysian government has further tweaked the system to favor incumbents. The drawing up of electoral boundaries is done by the Election Commission (EC), which then goes to the Prime Minister for a final decision, during which time he can make any amendments he chooses before being rubber stamped by the BN-controlled parliament. This gives the ruling party a tremendous advantage in gerrymandering electorates. For example, of the twenty-five new seats created for the 2004 election, none were awarded to Kelantan, Trengganu, Kedah or Perlis where PAS support has been moderate to strong.

There is also no requirement for an even population distribution, and some urban electorates are up to five times the size of rural electorates, thus diluting the voting power of the cities. This has favored the ruling coalition's interests and has delivered political power to ethnic Malays who tend to predominate in rural areas. With a short election campaign period of one week, not only can the government surprise the opposition with the timing of the election, but also the ruling party, UMNO, has the wherewithal to outspend its rivals. A compliant media also plays into government hands.

Political machinations within Malaysia have also favored the ruling party. The classification of "race" is at the core of Malaysian politics. Slightly more than half the population of Malaysia are ethnic Malays, while 10 percent are other indigenous groups (mainly Borneo indigenes). Ethnic Chinese constitute just over a quarter of the population, and ethnic Indians form around 8 percent of the population. Malay voters have traditionally formed the bedrock of government support, although in the 1999 elections large numbers of non-Malays switched to support

the government out of fear of PAS. But race still defines political parties. UMNO's main subordinate partners within the BN are two ethnic Chinese parties, the Malayan Chinese Association (MCA) and *Gerakan* (Movement), the Malayan Indian Congress (MIC), and parties representing Sabah and Sarawak.

During the 1999 election the BN faced off against the *Barisan Alternatif* (BA) coalition of opposition parties, which included the Islamist PAS, the Malay-dominated party of Anwar Ibrahim's wife, Dr. Wan Azizah, *KeADILan* (Justice), the Malay socialist party *Parti Rakyat Malaysia* (PRM or Malaysian People's Party), and the ethnic Chinese-dominated Democratic Action Party (DAP). The BA was a marriage of convenience—a strategic pact—to avoid splitting votes in Malaysia's plurality voting system. Some commentators foresaw the emergence of a stable two-coalition system. However, the BA was beset by too many differences and did not cohere for the 2004 elections. The DAP's objection to PAS's extremist ideology became unbearable, but differences also remained over the acceptance by all Malay parties of privilege for *Bumiputra* (indigenes). Gaps between the opposition parties mean that they split their votes, which has enhanced BN dominance.

Malaysian elections are not about determining the "winner," but rather the margin of victory. The ruling coalition always seeks, as a symbol of its legitimacy, the two-thirds majority required to amend the constitution. The only election when the BN failed to achieve a two-thirds majority in parliament was in 1969, when it fell just short of the mark.

### **Pre-March 2004 Political Trends**

The 1999 election was dominated by the trial of Anwar Ibrahim, whom Mahathir had fired as deputy prime minister on charges of corruption and sexual misdemeanors, leading to a serious political showdown with Anwar's supporters both on the streets and inside the UMNO party. The political damage to Mahathir from the Anwar trial and growing public concern over corruption saw UMNO suffer in the 1999 election—winning just 72 seats (down from 94) in the 193-seat parliament. Its coalition partners, who were able to capture the majority of ethnic Chinese and Indian votes as well as votes from East Malaysia, saved UMNO. This non-Malay support was in part prompted by fear of PAS and its radical agenda. But the opposition parties substantially chipped the bedrock of the BN's political legitimacy, Malay voters, and UMNO may have captured less than 50 percent of this vote. The two Malay-based opposition parties that drew support away from the government were PAS (27 seats) and *KeADILan* (5 seats).

If 1999 marked a low point in UMNO's fortunes, subsequent events and developments strengthened the ruling party's fortunes. First, it became apparent to the electorate that the Malaysian economy had not only survived the Asian financial crisis of 1997 but had also returned to favorable economic growth levels.

Second, the BN fell apart in the aftermath of September 11. Malaysia's two most successful long-standing opposition parties, the Islamist PAS and the Chinese-dominated DAP, had formed an electoral understanding in the 1980s to challenge the BN. Joined by PRM and later Wan Azizah's *KeADILan*, it was an unusual collection of parties. The DAP left the BA on September 22, 2001 after PAS declared a jihad against the United States, but this had come on top of a long-term disagreement between DAP and the Malay-based parties in the BA on the issue of Malay Dominance (*Ketuanan Melayu*)—whereby special political rights are guaranteed for Malays.

Third, the terrorist attacks of September 11, and the subsequent discovery of *Jemaah Islamiyah* cells within Malaysia,

allowed Mahathir to paint PAS and various fringe Islamic groups and societies as dangerous and fanatical. (One *jihadi* suspect held in jail without trial under the Internal Security Act is Nik Adli, son of Kelantan's Chief Minister and PAS leader, Nik Aziz Nik Mat.) Mahathir then successfully sold himself to both a domestic and foreign audience as a moderate Islamic leader. But Mahathir also attempted to outflank PAS on the right by declaring Malaysia an "Islamic State," while in some UMNO-controlled states local authorities enacted Islamically inspired laws, including an Apostasy Law in Perlis to jail Muslims who attempt to denounce the Islamic faith.

Fourth, a perception grew that BN has cleaned up its act on corruption and governance issues. Even before Mahathir left office he allowed investigators to tackle some problems of corruption. Abdullah has allowed this to continue apace, with court cases against a former cabinet minister and the former head of the national steel company and the possibility of around eighteen major prosecutions pending. He also appears to have abandoned the mega-projects that marked the Mahathir years—Abdullah cancelled a large rail project after taking office. The Prime Minister was quick to dissociate himself from two UMNO party members who were arrested for trying to bribe a PAS candidate to pull out of the election in Johor. Finally, Abdullah, as a former foreign minister and deputy prime minister, came to office with a reputation for avoiding Mahathir's firebrand version of politics. Many voters, angry at Mahathir's treatment of former deputy Anwar Ibrahim and other human rights abuses, see a very different person in Abdullah. The current Prime Minister has successfully cultivated the appearance of being clean and humane. Unlike his predecessor, he plays the "Malay gentleman" and has been dubbed "Pak Lah" (Uncle Lah) by a sympathetic media.

The trend of returning support to the ruling coalition had been evident in opinion polls and by-elections for some time. The 2004 election results indicate that not only did Malay support return to the BN, but the ruling coalition also retained non-Malay support.

### **The Significance of Abdullah's 2004 Victory**

The Malaysian parliamentary elections saw the BN win 64.4 percent of the vote, which translated into 90.4 percent of the parliamentary seats (or 198 out of 219) under Malaysia's electoral rules.

Prior to the election, Abdullah had stated that Islam was an important issue in the election, given that Islam has enormous appeal among Malay voters. The Prime Minister, a graduate in theology himself, described PAS's rejection of math, science, and English as an "insult to the intelligence of Malays." Nik Aziz promised "heaven" for his supporters and "hell" for Muslims who voted for UMNO. Abdullah's rhetoric pitted UMNO's "modern and progressive" message against PAS's more hard-line position. The Prime Minister took this message, in the last days of the campaign, to the northern states that have supported PAS candidates in the past. Kedah, Mahathir's home state, was a key battleground between the two parties and an important bellwether. UMNO and PAS fought a tough and intensive campaign to capture the state.

UMNO also campaigned heavily on economic issues. More assistance was given to farmers. An advertising campaign stressed the low cost of food and petrol. Abdullah also featured in large press advertisements promising to end high-level corruption, making this a central feature of UMNO's campaign. A related promise was that of bringing in fresh candidates to parliament and replacing a number of the old cabinet ministers—a move that would not only appeal to the voters but also allow Abdullah to stamp his mark on UMNO. Abdullah's anti-corruption promises did not go unchallenged. In an ironic twist, it took Abdul Hadi

Awang, speaking during the campaign for his local PAS organization in Trengganu, to point out during the election that Washington's blatant favoritism toward the BN had caused it to overlook the involvement of the Malaysian company Scomi Precision Engineering in Pakistan's nuclear trafficking network—a company with links to the Prime Minister's son, Kamaluddin Abdullah.

Malaysia's political opposition was left in serious trouble after these election results. PAS was decimated in Perlis, and Kedah lost control of the state parliament in Trengganu and only narrowly held on to Kelantan with a slim three-seat majority. In Kelantan, where five years ago PAS was completely dominant in its 41-2 win in the state election, Nik Aziz Nik Mat only just held on to the state with a close 24-21 seat victory. Many Malay voters who switched to PAS in 1999 most likely did so as a protest vote against the government rather than to support rule by conservative clerics. Events since 1999 demonstrate that much of Muslim society in Malaysia is unimpressed by PAS's radicalism. It is too soon to write the obituary for PAS (or "PAS Tense" as one subheading in Singapore's *Straits Times* stated), as the party still retains a rump of support among northern rural Malays. PAS will be a factor in future elections.

While many international media commentators have delighted in the ignominious failure of PAS—which featured as the lead story on a number of Western newspaper reports—it is also the case that the non-Islamist opposition has fallen by the wayside. Abdullah now presides over such a massive majority in parliament that it will be difficult for the legislature to provide the checks and balances one might expect from a mature democracy. KeADILan won a single seat, through Datin Seri Dr Wan Azizah Wan Ismail, standing in her husband's former electorate of Permatang Pauh in Penang, down from five parliamentary seats in the 1999 election. Wan Azizah's majority was slashed from more than 9,000 to a meager 590. This demonstrates that the Anwar Ibrahim issue no longer resonates with the wider Malaysian electorate, even if the issue still has some currency in Anwar's immediate home area. DAP held on to ten seats, including those of well-known party veterans, leader Lim Kit Siang and deputy leader Karpal Singh, but took heavy losses in Melaka, an area of traditional support.

This landslide election greatly solidifies Abdullah's power base, and not just because the opposition has been muted. UMNO, which has been divided by factions in the past, now has a number of new parliamentarians whose primary loyalty is to Abdullah. A poor showing at the polls by Abdullah would have called his leadership into question, and may have left his caucus vulnerable to influence by Mahathir or other power-brokers in the party. Abdullah's cabinet line-up, announced a week after the election, did retain some key Mahathir loyalists (principally Rafidah Aziz, Hamid Albar and Samy Vallu), while also bringing in members of other factions. For example, Rafidah's rival for leadership of UMNO's women (through two rival party organs), Azalina Othman Said, was also included in the lineup. The presence of some ministers known to have once been close to Anwar rounds out an executive that demonstrates Abdullah's attempt to meld UMNO factions together.

### **Implications for the United States**

Malaysia's 2004 election not only confirms Abdullah's leadership but also provides continuity within Malaysian politics. Similarly, the U.S.-Malaysia relationship will remain largely stable and in line with the recent past.

America's war on terrorism noticeably altered the nature of Malaysia-U.S. relations. Washington's criticisms of Malaysia are

more muted. While Washington still regards Anwar Ibrahim as a political prisoner and expresses concerns over Malaysia's use of the Internal Security Act (ISA) to arrest suspects without trial for up to two years, it is unlikely that the United States will publicly chide Malaysian authorities—as former Vice President Al Gore did during the Anwar Ibrahim trial. Washington has not protested too loudly when jihadi suspects are detained under the same ISA that is frowned upon in State Department reports on human rights. Malaysia's support is judged to be critical within Southeast Asia and in the wider Muslim world.

Although the U.S.-Malaysia relationship has long been economically and militarily robust, despite verbal spats and episodic tensions, both countries have found greater common cause in combating radical (and violent) strains of Islam. Although Mahathir remains a critic of U.S. military action in Afghanistan and Iraq—which he saw as creating the breeding ground for more terrorists—Malaysia has provided a moderate voice within the world of Islam. Mahathir's unjustifiable railing against a global conspiracy of international Jewry aside, he also condemned terrorism on the world stage, even arguing at the Organization of the Islamic Conference (OIC) that Palestinian suicide bombings should be condemned. Malaysia also took direct action against its own domestic terrorist cells. Abdullah's administration will exhibit continuity in the U.S. relationship, perhaps minus Mahathir's conspiratorial politicking and inflammatory rhetoric. Washington likely will find Abdullah an important partner. Malaysia will con-

tinue to regard Jemaah Islamiyah as a national and a regional threat and continue to act against it. Abdullah can also be counted on to critique violent Islamist ideologies on the global stage.

Mahathir, just prior to the election, accused the United States of exacerbating the terrorist problem by its policies in the Middle East. Abdullah's quieter, more diplomatic style does not mean that Malaysia will become supportive of all U.S. foreign policy, however. The new Malaysian Prime Minister has campaigned on his credentials as a practitioner and scholar of Islam—albeit a moderate version of the faith—and cannot wander too far from this constituency.

The lesson that the rise and fall of PAS provides is that poor governance does more to boost the fortunes of Islamist political parties than does widespread acceptance of radical doctrines. The Malay voters who switched to PAS in 1999 may have had a variety of reasons for doing so, but anger over Mahathir's perceived toleration of corruption and the imprisonment of Anwar clearly played a role. Apparently many Malays who voted for PAS had done so out of dissatisfaction with Mahathir rather than support for theocratic governance. While the Bush administration will savor the severe weakening of PAS, Malaysia's 2004 election is not a victory for pluralism because secular opposition parties have been weakened too. PAS will feature in future elections, while the other alternative for Malay protest, KeADILan, does not appear to have a long-term future.



The Asia-Pacific Center for Security Studies (APCSS) is a regional study, conference, and research center established in Honolulu on September 4, 1995, complementing PACOM's theater security cooperation strategy of maintaining positive security relationships with nations in the region. The APCSS mission is to enhance cooperation and build relationships through mutual understanding and study of comprehensive security issues among military and civilian representatives of the United States and other Asia-Pacific nations.

The Asia-Pacific Security Studies series contributes to the APCSS mission to enhance the region's security discourse. The general editor of the series is Lt. Gen. (Ret.) H.C. Stackpole, President of the APCSS.

**Asia-Pacific Center for Security Studies**

2058 Maluhia Road Honolulu, Hawaii 96815-1949 (808) 971-8900 fax: (808) 971-8999

[www.apcss.org](http://www.apcss.org)